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Abstract

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Keywords

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The Play of Power and Politics in Innovation and HRM

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ABSTRACT

This paper analyses the human resource management (HRM) practices involved in the implementation of a process innovation approach to product development (concurrent engineering (CE)) in the Australian subsidiary of a multinational firm engaged in military defence electronics. According to the research literature, almost all aspects of managing product development under a CE approach are linked to people management. Yet in this particular case, other than project team structure, the prescriptive HRM dimensions of CE were conspicuously absent in the implementation process. This absence is explained by the play of power and politics involving stakeholders analysed over an 18 month period. The implications of this analysis for understanding the embedded, interdependent and political nature of HRM and process innovation are addressed.

Keywords: innovation, HRM, politics, power, concurrent engineering

INTRODUCTION

There is no doubt about the importance of innovation. As markets become increasingly globalised and competitive and the pace of technological change grows, organizations have to compete not only in terms of quality and cost, but also in terms of time-to-market and innovativeness of their products (Dougherty and Hardy, 1996; Mavondo, Chimhanzi and Stewart, 2004). In their review of the relevant literatures, de Leede and Looise (2005) found that most approaches to innovation and its management in an organizational setting entail an important role for HRM. Further, while there has been a significant amount of attention directed by innovation management scholars to such issues (e.g. human resource development, rewards, career management and team building), HRM researchers have tended to ignore innovation, particularly at the project level. This paper seeks to redress this.

Our study involved an in-depth processual analysis over an 18-month period of a project that sought to introduce concurrent engineering (CE) - a particular approach to product innovation used in many manufacturing industries - in the Australian subsidiary of a European manufacturer of military electronics systems (Eurotech Industries). Our specific focus was to acquire a deeper understanding of the role of HRM practices in CE implementation processes over time, from both line management and HRM specialist perspectives. Shortly after the study commenced, it became apparent that HRM was receiving

scant attention in implementing CE, contrary to CE methodology stipulations. We found that the play of organizational power and politics involving various actors in and around the CE process innovation project had a significant bearing on the limited involvement of HRM. This led us to examine the literature on HRM and organizational power and politics to acquire a deeper understanding of our field observations. However, this literature was somewhat limited, and it was necessary to draw upon the more generic literature on power and politics, as well as that related to innovation. This paper is structured in a way that facilitates a systematic discussion of the above issues.

PROCESS INNOVATION - CONCURRENT ENGINEERING

Concurrent engineering seeks to achieve a balance between organizational, technological and human factors in the new product development process through realising cross-functional integration (i.e. through high levels of co-ordination, co-operation, communication), the integration of design (i.e. by considering product life cycle issues considered up-front), and a high level concurrence between project tasks in terms of overlaps and parallel activities (Haddad, 1996; Clausing, 1994; Fleischer and Liker, 1997). Yet, the processual and complex nature of CE implementation remains poorly understood, and remains an ambiguous and vague concept with considerable interpretive flexibility (Abrahamson, 1995). This is consistent with observations that our knowledge about organization-level innovation is ‘fragmentary’ (Fagerberg, 2005: 20) and that this is due to ‘a failure to study innovation within the context of meaning, knowledge and understanding of the organisation as a key unit of analysis’ (Storey and Salaman, 2005: 7). While the emphasis in the CE literature has been on technology, it has increasingly been recognised that the human resource dimension is decisive for its successful constitution and implementation. Despite this, no in-depth studies have analysed the role of human resource management in CE implementation (Schubert and Couchman, 1998). The CE literature, indeed the innovation literature generally (Fagerberg, 2005; de Leede and Looise, 2005), remains shallow with regard to the role of HRM, despite its apparent significance. Where there have been explanations of the role of HRM in CE and product innovation, these have been essentially universalistic and prescriptive

(Atuahene-Gima, 1996; Couchman, Badham, and Zanko, 1999). This neglect of HRM would also seem to be reflected in organizational practice, as noted by Bondarouk and Looise (2005) in their study of information technology implementation.

HRM and CE

According to the research literature, there are a number of key areas where HRM policies and practices could support and facilitate CE and for which CE may have significant implications respectively. These include: performance measurement and reward, training and development, selection and staffing, job design, career management, and employee relations (Campion and Higgs, 1995). According to its contingent nature, there is no "one best set" of HRM practices for CE. Different cross-functional arrangements may require different HRM arrangements (Zanko, Couchman, Badham, Schubert and Zainuddin, 1998). For example, the decision for a cross-functional team (Wheelwright and Clark, 1992) will be more complex, resource intensive and risky from a HRM perspective than a liaison role.

While the role of HRM as a specialist function has not been addressed in the CE literature (Zanko et al., 1998), a number of HR issues have attracted attention that are directly concerned with cross-functional integration, such as team building (Thamhain and Wilemon, 1987), team leadership (Susman and Rayl, 1999), team processes and performance (Hauptman and Hirji, 1996). Gerwin and Susman (1996) argue that the establishment of cross-functional teams is no guarantee for cross-functional integration, if it is not buttressed by supportive recruitment, training and other team-oriented HRM policies and practices.

It has been claimed that the HR issues identified in the above studies 'are treated broadly in isolation from other HRM activities; no account is made of the need for functional integration - where HRM program areas need to be treated and linked as a systemically related whole' (Zanko et al., 1998: 132). Moreover, HRM issues in the wider context of a CE integration effort have been broadly neglected. No detailed research has been conducted, for example, on the HR implications for functional areas with the establishment of cross-functional teams (such as the loss of expertise for the function, absence coverage, responsibilities for career management, or professional development).

The approach taken in this study reflects the view of HRM as a specialist function and organization-wide activity. It finds expression through HR strategy, policies and practices, and is thus represented by all of the HRM stakeholder groups in line with Boxall and Purcell's (2003) contextually embedded notion of HRM that covers all workforce groups, involves line and specialist managers, incorporates a variety of management styles, and considers individual and collective aspects of work and employment.

CASE STUDY

Methodology

This investigation was based on a single longitudinal processual case study of a company's attempts to define and implement CE, with a particular focus on the role of HRM therein. The aim was to gather rich contextual data over time in order to grasp the dynamics of the CE change process and so this was studied over a period of 18 months.

Yin's (1989) case study framework, guided the development of the case research design. Data collection was mainly qualitative and accumulated from: participant observation, interviews with company representatives, and public and proprietary company documents. The observation program consisted of regular visits to the company over the 18 month period, totaling about 140 days, and enabled a deep insight into the daily routines and subtle organisational phenomena that shaped the CE implementation process (Dawson, 1994; 2003). The collection of observational data was complemented by formal and informal interviews with key players in the CE and change implementation. The data were subjected to a systematic qualitative analysis following 'three concurrent flows of activity: data reduction, data display, and conclusion drawing/verification' (Miles and Huberman, 1994: 10). The three independent sources of evidence (interviews, observations and documents) enabled the contextualisation, cross-check and cross-validation of data (Stake, 2005).

Eurotech Industries and CE Context

Eurotech Industries was a medium-sized company, originally established in New South Wales, Australia in the 1950s. From 1990, it operated as a wholly-owned subsidiary of a European multinational

corporation. Its core business was defence electronics. Formally, each function and project within Eurotech was jointly managed by a Technical Manager and a Business Administration Manager. This "double-head" structure had been imposed on Eurotech Industries by its German parent. It was accompanied by the introduction of a second managing director, a representative from the parent company, the Managing Director - Business Administration. This second Managing Director effectively had deputy status. The final decision-making power rested, as before, with the de facto CEO of the company, the Technical Managing Director (TMD).

The main decision-making body, the Executive Committee, was made up of the TMD, the Managing Director - Business Administration, the Engineering Director, the Director of Quality Assurance, the Manufacturing Director, the Director of Material Planning and Control, and the Finance Director. Sales and Projects were represented on this Committee by the Technical Managing Director. Neither the Projects Executive nor any individual Project Manager was a member of the Executive Committee. The head of the HR Department was neither a director nor a member of the Executive Committee.

The organization's culture was described by company representatives as "laid a bit backwards, living still a bit in the past" (Business Administration Manager, Engineering Department). This attitude was accompanied by a focus on individual performance in contrast to teamwork. Another prevailing behaviour pattern was a so-called "culture of blame". This could be seen in the low tolerance towards failure, and proved a barrier in the implementation of CE and the overall change process. The strong engineering background of many employees was another factor that determined Eurotech Industries' culture. About one third of the 360 plus staff (and most managers) were professional engineers. Change agents in Eurotech Industries were mostly technologists.

At the time of the study, Eurotech Industries was running about 20 product development projects of various sizes, which were handled by 10 Project Managers. According to a Project Manager "big projects have one full-time Project Manager. With small projects, one Project Manager can handle two to four projects". But even the big development projects did not have a permanent project team, only an informal, part-time staffed project management group. The product development process was marked by a lack of

integrated thinking and action, with projects were being conducted in a conventional way, reflected in a strong linear-sequential project process.

HRM in Eurotech Industries

HRM was fundamentally neglected in a specialist and generic organizational sense. The appointment of the incumbent HR Manager in an essentially 'clerk of works' role (Tyson and Fell, 1986) – an appointment considered to be an "historical accident" by a member of the Executive As mentioned earlier, the HR Manager was neither a Director nor a member of the Executive Committee. The HR Department had low status. None of its nine staff had a degree or other formal qualifications in personnel management or HRM. The TMD consciously limited the HR Department to operational duties and welfare provision and saw "HRM's role ... more in the soft factors, to look after them [employees]". The HR Department had a short-term planning horizon, a low level of discretion and was subservient to line management. It did not even meet the limited expectations of change project leaders and managers regarding its contribution to certain HRM issues within the change program.

At the beginning of the initiatives put in train to improve Eurotech's project-based product development performance HRM activities were still of low importance to many line managers. These managers had not recognised the value of HRM nor their own responsibility for it. They had little or no training or qualification in HRM. Nevertheless, they felt confident about dealing with HR issues and considered their efforts in this respect as sufficient. Yet internal surveys identified HRM as one of the weakest managerial areas and showed that most managers in Eurotech Industries largely underestimated the complexity and difficulty of HRM. Consequently, the company provided various training sessions on HRM and related issues, and stimulated a continuous discussion of various HR topics. Line managers were more actively involved with the initiation and management of the organizational and cultural change process. The TMD claimed HRM to be of highest importance to the company and saw himself as a main stakeholder of HRM, though he did not always act as such.

CE in Eurotech Industries

All system development projects at the beginning of the case study were marked by time over-runs and budget blow-outs. Following a comprehensive business analysis by external management consultants in the year prior to the change initiative, the company identified a need to restructure its traditional design and development process in order to sustain and strengthen its market position. Six individual projects were set up under the umbrella of Eurotech's Time Optimized Processes (TOP) program that had been initiated by its European parent. CE was recommended and adopted as one of these, as a method for increasing the timeliness and quality of development projects. The overall CE Project was formally given the task of developing a concept for the restructuring of the design and development process based on CE principles. Eight months after its inception, the CE Project Team proposed a CE "solution set" and the selection of a CE Pilot Project. Four months later, the CE Project Team and senior management had identified a Pilot Project and agreed on a timetable for its implementation.

The initial CE project team comprised five, then six members, including the team leader. The members represented only a few downstream and upstream functions; all had a technical background. They were mostly junior employees or contractors, who worked part-time on the project; they were not collocated. Work on the project was not widely viewed as rewarding by the team. The CE Project Leader was a systems engineer who reinforced the team's technical emphasis. He concentrated on tools, techniques and procedures. Little attention was given to the organizational and HRM implications of CE, though other team members repeatedly raised such issues. He had an authoritarian leadership style and lacked team orientation.

Training was conducted at a stage when a pilot product development project had not yet been nominated. The CE Project Team had not tested its proposed CE concept and, therefore, had no experience with its actual application. In addition, senior management and the CE Project Team were still struggling to build up a coherent vision of CE, a common understanding about what CE meant for Eurotech Industries. Many organizational and HR related issues were raised in the training such as the future role of functional managers, but remained unanswered.

The pilot product development project that was eventually selected for the application of CE, however, was not an ideal case to trial the concept. This project was already at a stage where the conceptual design was mostly completed. Thus, the "CE solution set" could not be fully applied, particularly in terms of initial team-building, common goal setting or formulating a team charter. After one year, the CE Project Team concluded that the outcome of the CE Project was rather modest. Although CE had not been fully applied at the end of the investigation, the concept of CE had gained momentum. The proposed concept conveyed a vision of the future development process that corresponded with Eurotech Industries' business reorientation, an orientation towards teamwork and innovation.

EXPLAINING THIS DEVELOPMENT

How do we explain the course of the CE project and the ways in which the HRM issues were handled, considered or excluded? The following looks at the influence of some of the key players as well as the contextually influenced play of power in implementing CE.

The Players

Senior Management

According to the influential Business Administration Manager of the Engineering Department, senior management initially classified the CE Project as a "first priority". Yet the history of the project appeared to reveal otherwise. The Executive Committee failed to link CE into other change projects and initiatives, in particular a major TOP project on Organizational and Cultural Change (OCC). Its lower status treatment by the executives was implicitly recognised throughout the organization. According to one CE Project Team member, CE received "the most support from the least powerful people in the Executive Committee". The TMD did not take on its sponsorship, and its formal sponsor, the Engineering Director, showed little interest. This was accompanied by similar degrees of disinterest and even mild opposition from the other Directors. The CE Project remained very much an engineering project (focused on design and development within projects). For a year, the TMD and other senior managers did not actively support CE and the more far-reaching changes proposed by the CE Team.

The TMD saw no major strategic role for HRM or its relevance for CE. This was most apparent in his restriction of the role of the HR Department to one that was reactive to change. A few years earlier, the previous HR manager had been on the Executive Committee and an active advisor to senior and middle management. The successor HR Manager, appointed by the TMD, was neither a Director nor a member of the Executive Committee.

Following the European parent-initiated TOP Program, the TMD proclaimed an increased interest in HRM. It was particularly reflected in the establishment of the Organisational and Cultural Change Project (OCC) that he decided to sponsor (yet appoint someone other than the HRM manager as its leader). The TMD espoused a more strategic pursuit to HRM, as well as a move towards more a "sophisticated human relations" style. Yet, when the OCC group recommended a strengthening of HRM strategy and the department, the TMD opposed this and it did not happen.

Middle Management

A number of functional managers, with control over resources needed by projects and their managers, did not participate in important CE meetings or training sessions nor send a respective substitute (e.g. Sales and Marketing), nor provide a functional representative for the CE team, even after repeated requests by the CE Project Leader. They did not enforce the participation of their subordinates on CE training nor sufficiently empower the functional representatives on the Pilot Project. A general lack of interest was accompanied by varying degrees of opposition in the face of potential threat. Various documents produced by the CE Project Team pointed to a reduction in the influence of the functions in projects and their reorientation towards a supporting role in the development process.

In contrast to the Technical Directors and the functional managers under them, project managers were far less powerful. They were "always begging and pleading" described the Director of Quality Assurance. The CE Project Leader was a systems engineer who reinforced the team's technical emphasis. He was young and inexperienced in dealing with HR issues and organizational politics, and failed to win over the TMD, functional Heads or the OCC Project Leader as allies for CE. Instead of developing strong linkages

with the functions via the representatives at the CE Project Team, he dominated the CE Project Team. He did not devolve responsibility and often suppressed ideas of team members in favour of his own views that emphasised procedures and technical solutions. He did not consider the creation of an appropriate infrastructure for CE with appropriate HRM policies and practices as within the scope of the CE Project.

On the Ground: The CE Project Team

A number of HRM related factors contributed to the modest CE outcome. One can be seen in the composition and preparation of the CE Project Team. The CE Project Team members were mostly junior employees with one more experienced contractor. They were allotted to the project by their respective functional managers, all from engineering, although all main functions were asked to send a representative. Moreover, the CE Pilot Project Team had not been sufficiently prepared. It was not provided with any team-building training nor was it appropriately empowered. As a result, the CE Project Team focused on technical problems and solutions.

The CE project team leader saw HRM issues largely as outside the purview of the CE Project. An illustration of the resultant non-decision-making was his suppression of the team members' demands for change (raised in the form of various HR and organizational issues such as the future scope of functional managers or team rewards). These HR issues were not included in the minutes, agenda, project tasks or the CE Project proposals. The CE Project Leader discussed the project proposals with senior management. As these proposals only contained issues accepted by the CE Project Leader, he acted in a gatekeeper role, and so exercised control over the agenda, keeping potential issues (e.g. future role of functional managers) out of the political process. Apart from HRM issues such as team structure, team training, and team meetings, the CE Team did not consider other HRM issues in any depth until one year after the project commenced.

The Play

The consideration or lack of consideration, of HRM factors in the course of the project was largely attributable to the complex intertwining of the actions of these players. Of crucial significance was not

only the opposition to considering HRM issues in the CE project but the fragmented and misaligned interests and perceptions of those supporting HRM. On the one hand, for example, the actions of the TMD in opposing strategic HRM was clearly influential in reducing the status, role and resources of the HRM function, selecting a CE project manager and team with a low level of political credibility or HRM expertise, and lack of formal sponsorship of the project or support in the face of disinterest or opposition from other Directors. On the other hand, the various perceptions of and interests in HRM were not aligned. The TMD was at various times more or less committed to at least espousing a strategic HRM approach. The CE Project Leader had some interest in team building and training, and exploring the idea of cross-functional teamwork arrangements, yet failed to address many of the organisational issues that needed to be solved to make this possible or carry out a political analysis or strategy to gain support from the functional managers and departments. The CE Project Team, although inexperienced in this area, increasingly gave voice to an interest in addressing a broader range of HRM factors, but this was given very little consideration.

The actions of these organisational actors must, however, be set in their context. The ways in which they framed the problems, the interests and intentions that they pursued, the information, skills and capabilities that they had, the resources that they possessed, and their room for manoeuvre were all affected by situational social and political forces. The perceptions and actions of the TMD were at least in part attributable to the traditional engineering culture of a company that had developed on the basis of its technical knowledge and engineering expertise. The establishment of a function dominated but engineering project oriented matrix structure provided the context that shaped the interests and perceptions of the Technical Directors, the functional managers, and the project team members themselves. The lack of HRM knowledge, interest and skills on the part of such key players as the CE project manager and his team was linked to the way in which career structures were established in the company. The clash between the HRM aspirations of the OCC leader, the TMD, the HRM manager, the CE project manager and the CE project team were also rooted in competing career structures and training. Interaction between these different elements was revealed at a number of points. The CE project team

took the opportunity of the absence of the CE project leader to discuss and advocate the need for a more extensive range of HRM factors to be taken into consideration in the project, an activity that revealed the responsibility of the CE project team leader in repressing consideration of such factors. That the TMD and the rest of the Executive Team did not take up the recommendations for the strengthening of the HRM function revealed the crucial role played by the senior management team in restricting such considerations, even while formally espousing the need for a more strategic and proactive HRM orientation. In order to capture the play of power that influenced the consideration of HRM factors in CE at Eurotech, the complex interpersonal and situational dynamics involved need to be understood.

CONCLUSIONS

As noted earlier, there has been a lack of analysis of how HRM considerations are handled in innovation projects. This case illustrates how such issues are dealt with, and reveals the key role that political factors play in preventing the rhetorical HRM aspirations of innovation projects from being realised. What we saw at Eurotech was a complex intertwining of active opposition by organisational actors with the influence of embedded organisational constraints. In order to further our understanding of this phenomenon, how is it best to explore and investigate such obstacles?

Organizational power and politics have been given scant treatment in the established HRM literature, apart from a few notable exceptions (e.g. Edwards and Kuruvilla (2005); Al-Arkoubi and McCourt (2004); Galang and Ferris (1997)). In terms of in depth treatments of the topic, one has probably to go back to the now classic analyses of Legge (1978), and Townley (1994). These two analyses provide very different intellectual perspectives that can be drawn upon to explore how politics and power affect the manner in which HRM issues are considered (or excluded from consideration) in the course of innovation. The essence of Legge's (1978) argument is that human resource management, as both a function and specialist department, requires power and influence in decision-making in order to implement its policy and practice prescriptions, and so overcome the tendency to be neglected through line management misunderstanding of the role of HRM, and perceptions of HRM departments as being

out of touch with line management's problems. In her focus on the conscious and active role of organisational actors in the competition for resources, Legge's analysis is usefully supplemented by Pettigrew's (1974: 27) exploration of how organisational specialists such as HRM professionals 'do not merely advise' but 'persuade, negotiate and exercise the power they can mobilise'. In so doing, he argues, they utilise (or fail to utilise) five power sources: expertise; control over information; political access and sensitivity; assessed stature; and the amount and kind of groups support given to the specialist by his (her) colleagues in his (her) own and related specialist groups. The HRM professional, like other specialists, needs to establish credibility if he or she is to be effective.

While Buchanan and Badham (1999) argue that such 'power skills' should be part of the skills of all professional innovators, Townley's (1994) work directs our attention to another dimension of politics and power - the way in which the exercise of politics and power is embedded in the often taken-for-granted organisational norms and arrangements, or discursive practices, within which the more open cut and thrust of interest group politics is played out. It is this more 'unobtrusive' or 'covert' arena of power that many analysts regard as absolutely essential for any thorough understanding of organisational politics (Hardy, 1996; Lukes, 1974; Hardy and Leiba-O'Sullivan, 1998).

The above approaches draw our attention to the multi-dimensional nature of the political factors involved in exploration of how many of the cross-functional HRM issues raised by innovations are not taken up and considered. This character is further captured and extended by Hardy (1996) and elaborated in her work with Leiba-O'Sullivan (1998) on how a systematic exploration of the failure of empowerment programs during the 1990s needs to take into consideration four key dimensions of power. The first three dimensions of their model are based on Lukes' (1974) three-dimensional model of power. Hardy and Leiba-O'Sullivan (1998: 452-3) argue: '.. power is exercised, in the first dimension, by using various resources to influence the outcome of decision-making processes, in the second dimension, by controlling access to those processes, and, in the third dimension, through hegemonic processes, by which we mean the legitimization of power through cultural and normative assumptions'.

Representatives of the first pluralistic dimension focus on specific outcomes of decision-making processes (e.g. reaching consensus on critical business issues). Their findings are based on concrete, observable behaviour, often with the underlying assumption of the existence of observable conflict of interests. The second dimension expands the one-dimensional view by including non-decision making in its reflection. Non-decision-making is seen as 'a means by which demands for change ... can be suffocated before they are even voiced; or kept covert, or killed before they gain access to the relevant decision-making arena; or, failing all these things, maimed or destroyed in the decision-implementation stage of the policy process' (Lukes, 1974: 44). For proponents of the two-dimensional view, control of the agenda and of the ways in which potential issues are kept out of the political process is a critical power issue. The one- and two-dimensional views fail to include social forces in their explanation. They fall short in conceptualising organisational power and politics in their complexity and embeddedness within an organisation, and their dependence on structures, cultures, norms, expectations and the historical context (Buchanan and Badham, 1999; Thomas, 1994). The three-dimensional view of power includes individuals as well as collectives (e.g. in the form of social forces or institutional practices) in explanations about decision-making and control over the political agenda. It explains not only how political systems prevent demands from becoming political issues but also the social factors involved in preventing such demands from being recognised and considered in the first place. Hardy and Leiba-O'Sullivan (1998) note that Lukes extends analysis into the way in which the more powerful groups or institutions impose a 'hegemony' over the thoughts and consciousness of the less powerful, such that a challenge to power and authority becomes, literally, 'inconceivable'.

While Lukes usefully focuses our attention onto this often unrecognised area of 'covert' or 'unobtrusive' power, Hardy and Leiba-O'Sullivan (1998) argue that there remains a fourth dimension that he ignores. This Foucauldian-based dimension refers to the complex, multifaceted, and pervasive exercise of power in a way in which no one can control or escape from the power relations. It asserts that there is no isolated agent of power and draws attention to the limitations of resistance. Power and politics in HRM

are embedded in our system of being. A corollary is that resisting extant webs of power make alternative discourses 'difficult to conceive of, let alone enact' (Hardy and Leiba-O'Sullivan, 1998: 460).

We have argued that any further analysis of innovation and HRM issues and practices needs to investigate the role of power and politics in preventing many HRM issues from being considered and acted on. The work of Legge, Pettigrew and Townley provide us with some of the frameworks and tools necessary to explore what Hardy and Leiba-O'Sullivan (1998) characterise as the four dimensions of the exercise of power and politics. To briefly illustrate, at Eurotech, all four dimensions came into play. The TMD explicitly restricted the role of the HRM department so as to keep strategic powers in his own hands. The concern of the CE Project Team members with HRM issues was not voiced by them until the CE Project Team Leader was no longer present. The technical and engineering mindset, skills and careers of many of the engineers and functional managers directed their attention onto the technical methodologies and solutions for introducing CE with little interest in or ability to explore the HRM dimensions of an organisational CE solution. Finally, both strategic HRM 'supporters' (external CE consultants and programs, parent company strategic HRM, internal groups and practices etc.) and 'opponents' (internal 'silo' based cultures and practices etc.) were multiple and fragmented in character, with contesting actors, discourses and practices struggling for dominance.

This paper has sought to act as a bridge to encourage more research and reflection on such issues. Beginning with evidence of the neglect of HRM issues in the study of innovation process, it has documented how such issues were addressed in the case of a specific innovation process (an attempt to CE) at Eurotech, extended this analysis into an examination of how power and politics operates to exclude some HRM issues from being considered and implemented, and continues to argue for a more thorough and systematic exploration of such issues in undertaking further research on HRM and innovation. A four dimensional analysis is a useful and crucial starting point for such an enterprise.

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